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June 24, 2005

Our Ref.: 923-1000-002.R200

Palmer Coking Coal Company
31407 Highway 169
Black Diamond, Washington 98010

Attention: Mr. William Kombol / Landsburg PLP Group

RE: LANDSBURG COAL MINE – SCOPE OF WORK FOR PHASES 2 AND 3 FOR THE CONTINGENT GROUNDWATER TREATMENT SYSTEM (DESIGN AND CONSTRUCT INFRASTRUCTURE)

Dear Bill Kombol:

The Landsburg PLP Group (Group) has requested a proposal for the design and installation of the infrastructure components of the Contingent Groundwater Treatment System and for obtaining the permits (or substantive requirements in the case of MTCA-exempted permits) for this work. The work would be conducted in two phases, described below. The actual treatment system will not be installed, since its design would be dependent on the specific components required for treatment as determined by Ecology.

The Contingent Groundwater Treatment System is likely to be a necessary component of the Cleanup Action Plan for the site. The infrastructure components are believed to represent the longest time-frame for complete system installation. With these components in place, the Group will be able in a short period of time to install and begin operating a groundwater treatment system if Ecology determines that unacceptable levels of contaminants are present at points of compliance identified in the Cleanup Action Plan.

The Group has already completed Phase 1, which identified the basic infrastructure needed to support the Contingent Groundwater Treatment System facilities and evaluated several discharge alternatives. A Phase 1 letter report was submitted to Ecology on September 27, 2004 (copy attached). Phase 1 also developed conceptual-level layouts and key parameters for the project. Several alternatives for discharge of treated groundwater were evaluated. The preferred approach is to have treatment facilities at the north of the site, and to discharge the effluent to a POTW. The information gathered during Phase 1 provides the basis for proceeding with Phase 2 (detailed design and substantive permitting requirements) and Phase 3 (bidding and construction).

The Group will conduct Phases 2 and 3 to design and install the infrastructure components for the preferred approach identified in the September 27, 2004 Phase I letter report.

- In Phase 2, the Group will prepare a detailed design of the infrastructure components, and obtain permits or identify substantive requirements of MTCA-exempted permits. These include substantive requirements for all local permits associated with grading, site development, buildings, electrical connections, pipeline easements and waste water discharge to a POTW. In addition, during Phase 2 intrusive investigations (using a backhoe) will be conducted of the type of soils that may be encountered during construction.
- In Phase 3, the Group will construct the infrastructure components. The infrastructure components have been identified in the September 27, 2004 Phase I letter report and include the following items:
  - Treatment system pad;
  - Access roadways to the treatment system;
  - Electrical connections that would be adequate for the potential treatment system;
  - Pipeline conveyance system to the nearest sanitary sewer system; and
  - Stormwater control and discharge.

  The Group will select a contractor (assumed via bidding) and provide construction oversight to ensure that the project is constructed in the most cost effective manner, and that the actual construction complies with project technical and regulatory requirements. As-built drawings of the completed installation and construction will be made and submitted to the Group and Ecology.

At the end of each phase, the Group will submit a Memorandum or report for Ecology review and approval before beginning the next phase of the work.

The design to send treated water to a POTW requires assistance from Ecology, because the site is located in a rural area that is outside the Urban Growth Area in King County. The preferred discharge alternative requires a connection to Soos Creek Water and Sewer District, which sends their sewage to King County Metro POTW. A new, dedicated effluent pipeline connection is allowed only if necessary for the public health and safety. The Contingent Groundwater Treatment System is necessary for the public health and safety, since its purpose is to be able to take timely actions to address contaminants if required by Ecology. Thus, the tasks described in this Scope of Work are necessary for the public health and safety.

Thank you very much for your consideration and assistance. If you have any questions or require additional information, please contact Douglas Morell.

Sincerely,

GOLDER ASSOCIATES INC.

Douglas J. Morell, PhD., R.Hy.
Principal

DJM/se
cc: William Kombol / Palmer Coking Coal Co.
William Joyce / Salter Joyce Ziker
Rod Brown / Josh Lipsky / Brown Reavis & Manning
Pete Haller / Ater Wynne
Richard Gordon / Time Oil
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Fred Benz / PACCAR
Kelly McTigue / Morgan, Lewis & Bockius
Mark Allendorf / Allied Waste Industries
Barbara Smith / Harris & Smith
Jerome Cruz / Washington State, Department of Ecology

Deliverable Review Record

Project Number:	923-1000-002.R200		
Project Name:	**Palmer Coking Coal Company / Landsburg PLP Group**		
Document Title:	***Landsburg Coal Mine – Scope of Work for Phases 2 and 3 for The Continent Groundwater Treatment system (Design and Construct Infrastructure)***		
Version:	☐ Draft	☒ Final	☐ Revision:
Document Date:	06/24/05		
Author:	Douglas J. Morell		
Reviewer:			

Place a check by reviewed components (*Check "NA" if not applicable to this document; leave blank if applicable but not reviewed by this reviewer*):

☐ **Text (including scope, completeness, and interpretation/recommendations)**

☐ **Drawings and Figures (GIS, CAD, Graphics, and other)**

☐ N/A

☐ **Hand calculations (including approach/meth**odology, inputs, and results)

☐ N/A

☐ Software-based analyses (commercial, proprietary, spreadsheet) – logic

☐ N/A

☐ Software-based analyses (commercial, proprietary, spreadsheet) – inputs

☐ N/A

☐ Software-based analyses (commercial, proprietary, **spreadsheet) – results**

☐ N/A

☐ **Other:**

All review comments have been satisfactorily addressed.

The Clients
Reviewer

Date: _____

Author

Date: June 24, 2005